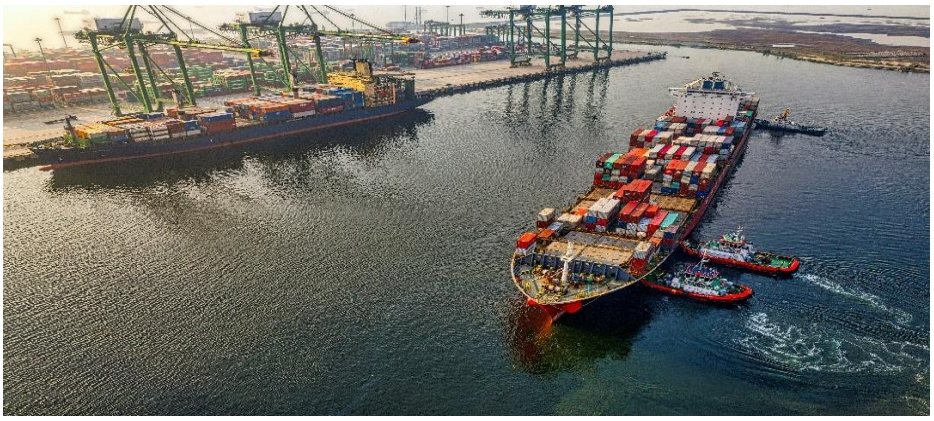
Milder Exports and Robust Imports Narrow Trade Surplus in Nov-25

Economic Review
Nov-25 External Trade



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Economic Review

- Malaysia's total trade remained steady, though expanded softer by +11.1%yoy in Nov-25 (Oct-25: +13.0%yoy), marking three consecutive months of double-digit growth. The softer reading stemmed from the moderation in exports (+7.0%yoy; Oct-25: +15.7%yoy). Imports, however, surged by +15.8%yoy (Oct-25: +10.0%yoy), recording the highest reading since Apr-25.
- By sector, growth in manufacturing exports (share: 86% of total exports) slowed down by +7.9%yoy (Oct-25: +15.7%yoy). This was attributable to moderate expansion for E&E products (+15.0%yoy), machinery (+5.2%), while growth was supported by the slightly faster rise in optical and scientific products (+33.8%yoy).
- Imports surged by +15.8%yoy in Nov-25 (Oct-25: +10.0%yoy), marking the fastest expansion since Apr-25. The improvement was driven by the acceleration of capital goods imports (+56.8%yoy), supported by higher demand for non-transport-related equipment.
- We expect exports to grow by +6.0% (2024: +5.8%). Meanwhile, we revise our import growth forecast slightly higher to +5.5% (previously +4.9%; 2024: +13.2%). Higher exports are supported by front-loaded E&E shipments, deeper market penetration, and stronger re-exports, offsetting the impact of higher US tariffs and preventing a sharper slowdown in external trade.

Slower trade expansion with moderation in exports

Malaysia's total trade remained steady, though expanded softer by +11.1%yoy in Nov-25 (Oct-25: +13.0%yoy), marking three consecutive months of double-digit growth. The softer reading stemmed from the moderation in exports (+7.0%yoy; Oct-25: +15.7%yoy). Imports, however, surged by +15.8%yoy (Oct-25: +10.0%yoy), recording the highest reading since Apr-25. The mild export performance was weighed by the slowdown in domestic exports (+0.3%yoy; Oct-25: +9.7%yoy), whereas re-exports accelerated by +40.3%yoy (Oct-25: +36.4%yoy). Sector-wise, there was softer growth in outbound shipments of E&E products, machinery, and crude petroleum, while optical and scientific products recorded a slightly stronger pick-up. Declines were seen in exports of palm oil, chemicals and LNG. In 11MCY25, total trade expanded slower by +5.8%yoy (RM2.8tril; 11MCY24: +8.7%yoy). During this period, export growth strengthened to +6.1%yoy (11MCY24: +4.8%yoy), outpacing the moderation in imports (+5.6%yoy; 11MCY24: +13.3%yoy). Consequently, the trade surplus widened to +RM132.6b (11MCY24: +RM119.8b).

Trade surplus narrowed sharply

On a month-on-month basis, exports declined by -9.0%mom in Nov-25 (Oct-25: +6.7%mom), marking the lowest reading since Jan-25, whereas imports slowed down by +0.7%mom (Oct-25: +7.7%mom). The fall in exports, which trailed behind the moderation in imports, led to a sharp narrowing of the monthly trade surplus to +RM6.1b (Oct-25: +RM20.4b; Nov-24: +RM14.8b), marking a -58.8%yoy decline. Malaysia's weaker trade surplus was dragged by softer demand for E&E products and compounded by declining demand for palm oil, chemicals, and LNG. Despite the softer monthly reading for E&E and other manufactured exports during the month, the ongoing tech upcycle should continue to bolster overall

export growth going forward, mitigating the drag from weaker commodity shipments in recent months.

Moderate outbound shipment for E&E products

By sector, growth in manufacturing exports (share: 86% of total exports) slowed down by +7.9%yoy (Oct-25: +15.7%yoy). This was attributable to moderate expansion for E&E products (+15.0%yoy), machinery (+5.2%), while growth was supported by the slightly faster rise in optical and scientific products (+33.8%yoy). The moderation in E&E exports was driven by softer gains in semiconductors (+18.6%yoy; Oct-25: +42.0%yoy) and telecommunication parts (+25.6%yoy; Sep-25: +56.8%yoy), of which both remained in double-digit expansion. Although semiconductor products remain exempt from the 19% reciprocal tariff that took effect on 8 August 2025 and are excluded from the newly formalised US trade deal, the risk of sector-specific tariffs continues to pose a lingering downside to Malaysia's technology sector and export outlook. Nonetheless, E&E exports should remain supported by persistently strong global AI-related and broader technology demand.

Mining exports picked up; agricultural exports fell

Mining exports rose slightly faster by +9.9%yoy in Nov-25 (Oct-25: +8.0%yoy), supported by the robust exports of metalliferous ores and metal scrap (+212%yoy) as well as petroleum condensates & other petroleum oil (+235.5%yoy). Meanwhile, LNG exports declined softer by -12.5%yoy (Oct-25: -17.6%yoy) whereas crude petroleum exports moderated by +6.0%yoy (Oct-25: +38.1%yoy). Demand for metalliferous ores and metal scrap is expected to remain strong, underpinned by robust copper demand from China's fast-growing EV sector, where NEV sales rose +20.6%yoy to 1.8m units in Nov-25 (Oct-25: 1.7m units). Meanwhile, agricultural exports fell by -6.0%yoy (Oct-25: +20.3%yoy), led by the decline in palm oil and palm oil-based agriculture products (-9.3%yoy) and natural rubber (-22.9%yoy). Looking ahead, palm oil exports to India are expected to remain resilient, while Chinese and European demand may ease. Also, rising soy oil competition could moderate India's palm oil import demand.

Exports to the US and Singapore remain soft, while other markets stay resilient

By destination, exports to the US fell at a slower pace by -0.9%yoy (Oct-25: -2.6%yoy), marking two consecutive months of contraction. E&E products recorded a marginal expansion of +2.1%yoy, while machinery moderated by +11.9%yoy. Meanwhile, optical and scientific equipment rose slightly faster by +29.6%yoy. Exports to Singapore slowed down to +4.1%yoy (Oct-25 +27.2%yoy), dragged by the decline in E&E shipments (-0.7%yoy). Meanwhile, exports to China increased by +9.3%yoy (Oct-25: +7.5%yoy) due to the surge in metalliferous ores and metal scrap (+332.6%yoy) and a stronger rise in palm oil (+18.9%yoy) as well as LNG (+13.3%yoy). Malaysia's exports rose to Taiwan (+53.0%yoy) and moderated to Hong Kong (+17.8%yoy), driven by the outbound shipments of E&E exports and optical & scientific equipment. The moderate performance of E&E exports was weighed down by declining shipments to Singapore and persistently weak demand from the US. However, demand elsewhere remained resilient, notably from Taiwan, the Netherlands, Vietnam, and Mexico, reflecting the ongoing market diversification strategy amid US tariff pressures.

Slower exports to ASEAN and EU

Shipments to ASEAN in Nov-25 moderated by +5.8%yoy (Oct-25: +20.1%yoy), dragged by a slowdown in exports to Singapore, Thailand and Vietnam. By sector, E&E shipments slowed sharply by +8.1%yoy, while exports declined for palm oil (-20.0%yoy), machinery (-10.8%yoy), chemicals (-10.1%yoy) and manufactures of metal (-5.0%yoy). Petroleum products exports, however, rose by +23.9%yoy. Similarly, exports to the EU rose at a softer pace of +13.2%yoy (Oct-25: +23.8%yoy) driven by the moderation for E&E products (+31.5%yoy), optical & scientific equipment (+7.5%yoy), and machinery (+16.8%yoy). Nonetheless, exports increased for palm oil-manufactured products (+15.0%yoy).

Imports surge to a seven-month high on

Imports surged by +15.8%yoy in Nov-25 (Oct-25: +10.0%yoy), marking the fastest expansion since Apr-25. The improvement was driven by the acceleration of capital goods imports

strong capital goods demand

(+56.8%yoy), supported by higher demand for non-transport-related equipment. Consumption goods fell by -1.7%yoy (Oct-25: +3.7%yoy), whereas intermediate goods rose by +5.0%yoy (Oct-25: -7.9%yoy), marking the first expansion since Mar-25. By sector, imports of manufactured goods, accounting for 87% of total imports, rose faster by +18.6%yoy (Oct-25: +12.7%yoy) with higher double-digit growth in E&E products (+44.4%yoy). Imports of agricultural goods contracted double-digits by -18.1%yoy (Oct-25: -6.4%yoy), mainly attributable to the decline in other agriculture products (-12.9%yoy). Meanwhile, imports of mining goods edged up by +4.7%yoy (Oct-25: -5.8%yoy), supported by the rise in purchases of crude petroleum (+5.8%yoy).

Export surge in Oct-25 driven by strong volume and price gains

Based on Oct-25 trade data, export growth accelerated to +15.7%yoy (Sep-25: +12.5%yoy), driven by higher export volumes of +10.9%yoy, supported by animal and vegetable oils, machinery & transport equipment, and manufactured goods. Export prices also ticked up slightly faster by +4.3%yoy (Sep-25: +3.3%yoy), the highest since Aug-24. Meanwhile, imports surged by +10.0%yoy (Sep-25: +7.2%yoy), with volumes up +12.7%yoy, the strongest since Apr-25, led by beverages and tobacco, inedible crude materials, and machinery and transport. Import prices continued to decline for the 14th consecutive month, but at a slower pace of -1.3%yoy (Sep-25: -2.2%yoy).

Lower surplus in E&E trade offset by improvement in trade of other products

Trade surplus narrowed sharply to +RM6.1b in Nov-25 (Oct-25: +RM20.4b; Oct-24: +RM12.0b), attributable to the sharp -9.0%mom monthly contraction in exports in contrast to a marginal rise of +0.7%mom in imports. By sector, the smaller surplus largely reflected the sharp drop in trade surplus of E&E products (+RM1.9b; Oct-25: +RM14.2b), in addition to a larger deficit in trade of transport equipment (-RM3.8b; Oct-25: -RM2.2b). On the contrary, trade of LNG and other manufactured products both recorded larger surpluses of +RM4.3b (Oct-25: +RM3.8b) and +RM3.7b (Oct-25: +RM2.9b), respectively. We foresee overall trade surplus will continue to be largely influenced by the fluctuations in the trade of E&E products, while other commodities such as LNG and palm oil will also remain as major contributors to Malaysia's positive net exports. Stronger imports could cause the balance of trade of goods to contribute negatively to economic growth in 4QCY25. On another note, we forecast that robust imports, particularly the strong demand for capital goods, would keep the size of Malaysia's current account balance to remain below +2% of GDP even in 2026 (2025f: +1.4%).

Resilient exports ahead amid tariff pressures

We expect exports to grow by +6.0% (2024: +5.8%). Meanwhile, we revise our import growth forecast slightly higher to +5.5% (previously +4.9%; 2024: +13.2%). Higher exports are supported by front-loaded E&E shipments, deeper market penetration, and stronger re-exports, offsetting the impact of higher US tariffs and preventing a sharper slowdown in external trade. Import growth moderates due to a high base, though demand remains underpinned by robust capital goods purchases, particularly for data centre projects. Looking ahead, E&E exports are expected to remain resilient amid the global tech upcycle, while mining may continue to weigh on growth. Potential semiconductor tariffs pose a downside risk to the tech sector and Malaysia's export outlook, though the Agreement on Reciprocal Trade (ART) with the US is expected to improve market access from 2026. Broader export diversification and strengthened bilateral ties will help mitigate external headwinds amid easing trade tensions and positive negotiation outcomes. Resilient domestic demand will continue to anchor Malaysia's sustainable economic growth.

Table 1: Malaysia's External Trade Summary

	Monthly Data						Cumulative Data	
	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	11MCY24	11MCY25
Exports (RM b)	**121.5**	**140.1**	**131.3**	**139.0**	**148.3**	**135.0**	**1,370.7**	**1,453.7**
YoY%	(3.6)	6.5	1.7	12.5	15.7	7.0	4.8	6.1
MoM%	(4.0)	15.2	(6.2)	5.9	6.7	(9.0)		
Imports	**113.1**	**125.5**	**115.5**	**118.8**	**118.8**	**127.9**	**1,250.9**	**1,321.2**
YoY%	1.3	0.6	(5.9)	7.2	10.0	15.8	13.3	5.6
MoM%	(10.1)	10.9	(8.0)	2.9	7.7	0.7		
Total Trade	**234.7**	**265.5**	**246.8**	**257.8**	**276.2**	**263.8**	**2,621.6**	**2,774.9**
YoY%	(1.3)	3.6	(2.0)	10.0	13.0	11.1	8.7	5.8
MoM%	(7.0)	13.1	(7.1)	4.5	7.1	(4.5)		
Trade Balance	**8.4**	**14.6**	**15.8**	**20.2**	**20.4**	**6.1**	**119.8**	**132.6**
YoY%	(41.4)	115.2	149.4	57.6	70.8	(58.8)	-41.1	10.7
MoM%	1006.0	73.8	8.5	27.6	0.9	(70.0)		

Note: MoM is non-seasonally adjusted figure
Source: MATRADE, Macrobond, MBSBR

Table 2: Malaysia's Exports and Imports Breakdown

	Monthly Data					
	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Re-exports (RM b)	**26.4**	**37.0**	**28.0**	**34.5**	**39.2**	**29.8**
YoY%	3.4	41.9	22.6	46.1	36.4	40.3
MoM%	2.5	40.0	(24.5)	23.5	13.4	(24.0)
Domestic Exports (RM b)	**95.1**	**103.0**	**103.4**	**104.5**	**109.2**	**105.2**
YoY %	(5.4)	(2.3)	(2.8)	4.5	9.7	0.3
MoM%	(5.7)	8.4	0.3	1.1	4.5	(3.6)
Intermediate (RM b)	**60.3**	**56.8**	**60.2**	**54.3**	**57.8**	**66.4**
YoY%	(0.9)	(17.8)	(16.7)	(7.4)	(7.9)	5.0
MoM%	(7.5)	(5.7)	6.0	(9.8)	6.4	14.9
Capital (RM b)	**14.4**	**18.2**	**15.7**	**18.5**	**18.7**	**20.8**
YoY%	20.2	20.3	10.9	9.0	51.6	56.8
MoM%	(36.3)	25.9	(13.5)	17.5	1.1	11.5
Consumption (RM b)	**9.4**	**10.4**	**9.4**	**9.2**	**10.0**	**9.9**
YoY%	1.6	(4.9)	(8.9)	4.9	3.7	(1.7)
MoM%	(6.9)	10.9	(9.7)	(2.0)	8.2	(1.0)

Source: MATRADE, Macrobond, MBSBR

Table 3: Malaysia Exports by Key Country / Region (YoY%)

	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
China	(9.3)	6.1	10.4	2.9	7.5	9.3
US	4.7	3.8	(17.2)	24.2	(2.6)	(0.9)
Japan	(1.6)	0.1	(15.4)	(5.2)	6.6	(4.9)
Taiwan	14.2	46.6	32.7	8.6	38.7	53.0
India	4.4	(2.0)	12.7	28.7	(8.6)	4.7
Hong Kong	1.8	(11.8)	(5.5)	(13.3)	36.7	17.8
Australia	(9.5)	(1.5)	1.6	4.1	5.2	(3.0)
EU	4.6	5.7	9.7	19.7	23.8	13.2
ASEAN	(14.0)	8.4	3.8	19.2	20.1	5.8
Singapore	(16.9)	22.2	2.7	28.0	27.2	4.1
Thailand	(13.4)	4.4	20.7	13.2	18.3	3.8
Indonesia	(6.6)	(11.0)	(23.2)	(9.0)	(9.7)	6.4

Vietnam	(6.9)	(4.7)	31.3	25.5	29.4	19.2
Philippines	(2.6)	(21.8)	(16.4)	(1.8)	17.7	(11.9)

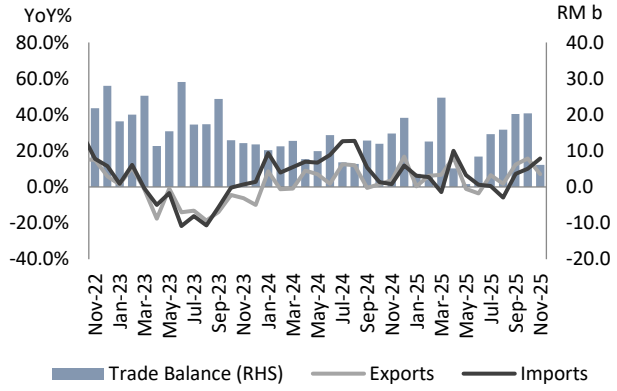
Source: Macrobond, MBSBR

Table 4: Malaysia's Exports by Major Products (YoY%)

	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
E&E	1.3	22.5	10.1	19.5	26.5	15.0
Machinery, Equipment & Parts	15.5	15.6	12.1	14.1	17.2	5.2
Optical & Scientific Equipment	1.4	8.9	14.7	16.7	31.6	33.8
Palm oil & palm oil-based products	18.5	(3.6)	9.1	14.0	24.0	(2.0)
Crude Petroleum	(49.7)	(1.2)	(29.0)	(17.3)	37.8	6.0
Petroleum Products	(28.1)	(27.2)	(17.6)	11.6	(8.1)	1.5
LNG	(26.5)	(7.2)	(2.6)	(13.2)	(17.6)	(12.5)
Rubber products	(20.6)	(4.8)	(18.5)	(4.3)	(10.1)	(25.2)
Transport equipment	3.2	8.7	2.8	(12.2)	(0.4)	(9.4)

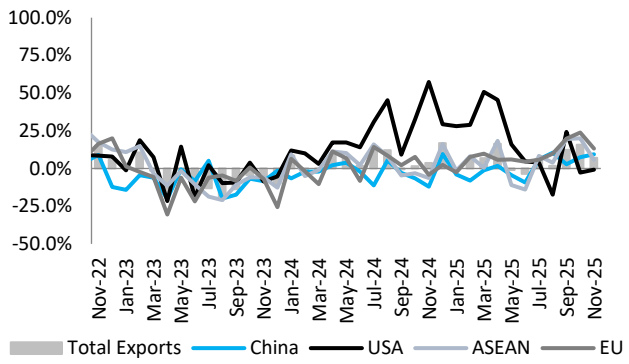
Source: Macrobond, MBSBR

Chart 1: Exports & Imports (YoY%) vs Trade Balance (RM b)



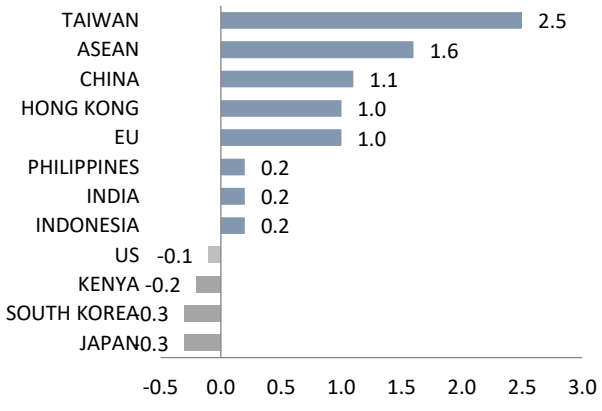
Source: MATRADE, Macrobond, MBSBR

Chart 2: Exports Growth by Major Destination (YoY%)



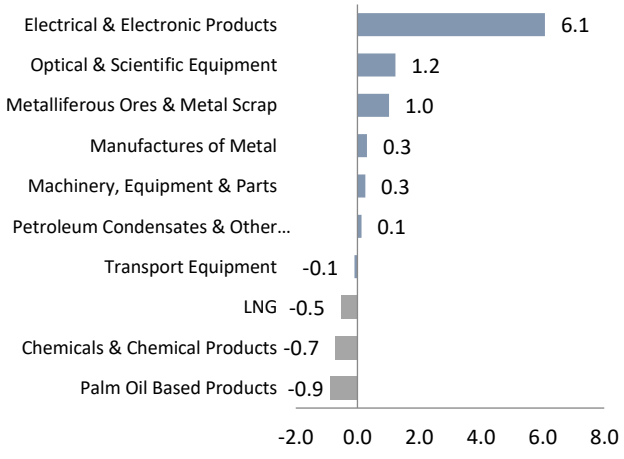
Source: MATRADE, Macrobond, MBSBR

Chart 3: Contribution to Total Exports Growth in Nov-25 by Destinations (%-points)



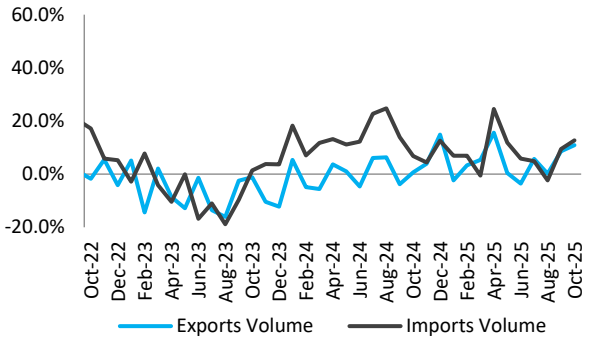
Source: MATRADE, Macrobond, MBSB

Chart 4: Contribution to Total Exports Growth in Nov-25 by Key Products (%-points)



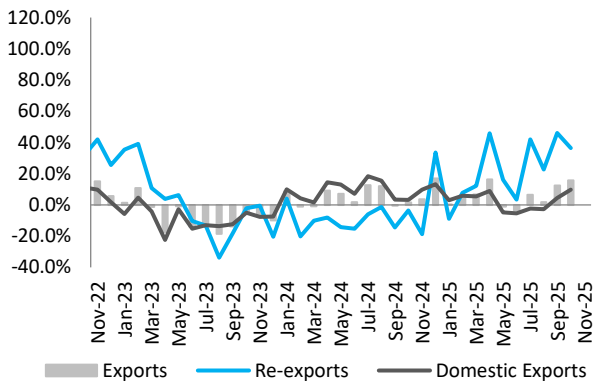
Source: MATRADE, Macrobond, MBSBR

Chart 5: Exports vs Imports Volume (YoY%)



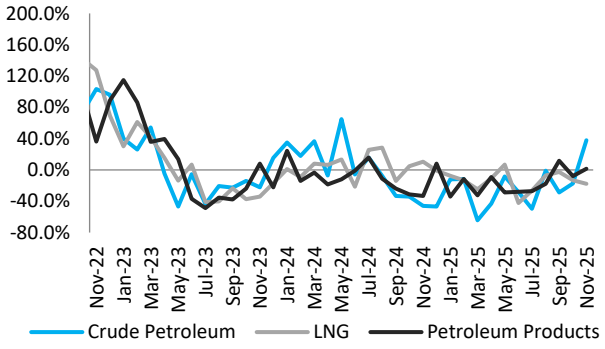
Note: The latest available trade volume data is Oct-25
Source: MATRADE, DOSM, MBSBR

Chart 6: Exports: Domestic vs Re-exports (YoY%)



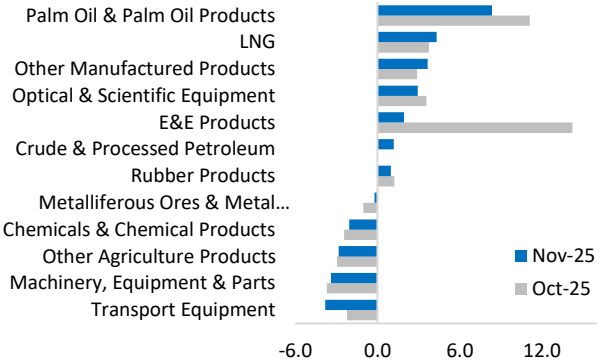
Source: MATRADE, DOSM, MBSBR

Chart 7: Exports of Mining Goods (YoY%)



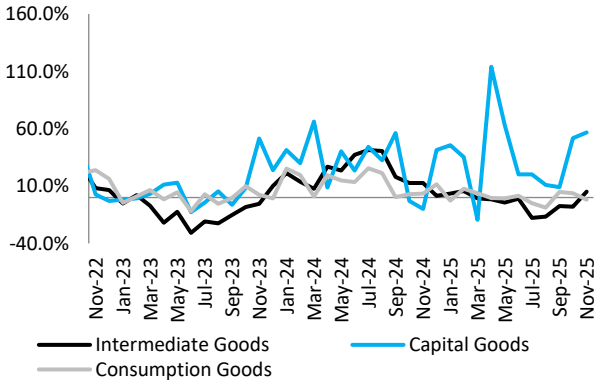
Source: MATRADE, Macrobond, MBSBR

Chart 8: Nov-25 Trade Balance by Selected Products (RM b)



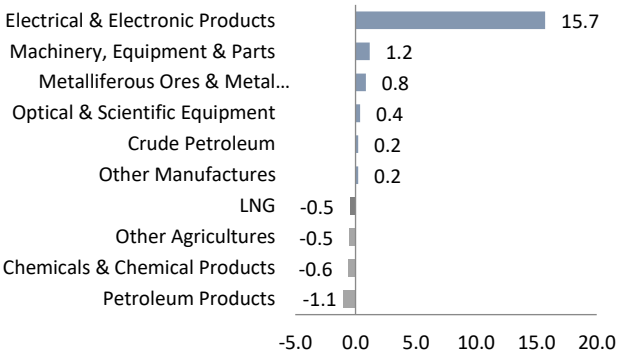
Source: MATRADE, Macrobond, MBSBR

Chart 9: Imports of Goods by End Use (YoY%)



Source: MATRADE, Macrobond, MBSBR

Chart 10: Contribution to Total Imports Growth in Nov-25 by Key Products (%-points)



Source: MATRADE, Macrobond, MBSBR

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